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DIVISION OF  
OIL GAS & MINING

JUMBO MINING  
6305 Fern Spring Cove  
Austin, Texas 78730

M/627/007

Sept. 19, 1991  
File: DOGM92591

Mr. Wayne Hedberg  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

RE: Response to Division's  
letter Sept. 6, 1990-  
Mizpah pit plan review

Dear Mr. Hedberg:

The following are the additional data and comments requested by DOGM so that our Mizpah pit plan can be approved:

R613-004-105 MAPS, DRAWINGS AND PHOTOGRAPHS

The 18 acres to be disturbed in our revised application is correct.

R613-004-106.2 OPERATION PLAN-PROCESSING METHODS

All ore mined from the Mizpah Pit will be leached on a new pad which is currently being permitted by DOGM, BLM and the Dept. of Health. Additional information requested by the Division for the new pad will be attached with this letter or will follow shortly.

R613-004-106.5 OPERATION PLAN-TOPSOIL SALVAGE

The original soil survey conducted by Jumbo calculated soils greater than 10 inches thick. In November, 1990 a new soil survey was conducted by Phil Allard from the BLM and myself. At that time Jumbo agreed to salvage any soil greater than 6 inches in depth (instead of 10 inches). The new soil survey showed an increase in salvable soil. Phil Allard calculated that 8,300 cu. yds. exists and Jumbo agreed to stockpile the total amount.

The area (tops and sides of waste dumps) to be covered with the salvable soil is 10.28 acres (see map R613-004-105.3.17 "Reclamation Activities and Treatment Map" in our letter June 23, 1990). It would take 8,292 cu. yds. to cover this acreage to 6 inches in depth. There should be enough salvable topsoil to accomplish this.

$\Delta = +8cy$

DOGM EST.  
11 ACRES AFTER  
REGRAVING 3:1



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R613-004-107.1.13 OPERATIONAL PRACTICES

Some of the drill holes outside of the pit development area have already been plugged. Jumbo agrees to plug the remainder of the holes within 60 days after final approval from the division.

R613-004-107.6 OPERATIONAL PRACTICES-CONCURRENT RECLAMATION

Jumbo requests that the drill roads outside the pit development area remain open for six months after final approval from DOGM in order for continuing fill-in drilling of margins and extensions of known ore bodies.

R613-004-110.2 RECLAMATION-ROADS

All roads will be ripped to 1.5 feet instead of scarifying.

R613-004-110.2 RECLAMATION-PIT SLOPES

All pit highwalls will have an overall pit slope of 1h:1v or less.

Pit benches will be covered with 12 inches of waste rock and any salvable soil in excess of 8,292 cu. yds. which may be stockpiled.

R613-004-110.2 RECLAMATION-WASTE DUMPS

All waste dumps slopes will have a final slope of 3:1 or less. Six inches of topsoil will be placed on top and sides of the dumps.

R613-004-111.1.12 RECLAMATION PRACTICE-TRASH DISPOSAL

All trash will be removed to the Drum Mine site for disposal in an approved landfill site.

R613-004-112 VARIANCES

After the last soil survey by BLM and Jumbo, there appears to be an adequate amount of salvable soil at the site.

R613-004-113 SURETY

As stated above only 8,292 cu. yds. of topsoil will be needed to cover the waste dumps, therefore, the surety estimate to spread topsoil on the dump areas should be revised to

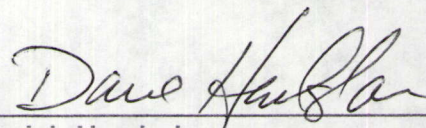


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8,292 CY @ \$0.68/cu.yd. = \$5,639.

If possible and economical, Jumbo will backfill one portion of the pit with waste from another portion.

Sincerely,

A handwritten signature in cursive script, reading "David Hartshorn", written over a horizontal line.

David Hartshorn  
Project Manager-Drum Mine